

State of Maryland

CAPITAL PROGRAM HIGHLIGHTS

The County Executive and the County Council are actively seeking to increase the State's support of County capital projects.

Currently, the State of Maryland participates in and supports the County's capital program in several ways. Funds to support the capital needs of agencies such as the public schools and community college are authorized in legislation. Funds to meet special needs are requested as they are needed and authorized by the State legislature and/or the State Board of Public Works. State funding for capital projects for County residents is organized into three primary categories:

- State aid provided to local jurisdictions for County-operated facilities;
- State aid provided to County nonprofit community entities; and
- Construction of and improvements to State-owned and operated assets within the County.

Once projects are approved, project totals are published, and they can be identified as follows:

- The County's Capital Improvements Program (CIP) lists each project for which State aid is expected. These funds are shown in the funding schedule of each Project Description Form (PDF).
- The State's contribution to roads and mass transit projects is discussed in the County CIP, Transportation section.
- The State School Construction program is discussed in the County CIP, Public Schools section.
- State support for Montgomery College is highlighted in the County CIP, Montgomery College section.
- State aid for construction to be provided to nonprofit community entities is displayed in one of two areas. If the County is also providing some financial support to the project, the State funds will appear on the PDF for that project in the CIP. Alternatively, the project will be listed in the County Operating Budget if other County support is provided. When there is no County financial participation, the project will only be listed in the State budget.
- Improvements to State-owned and operated assets within Montgomery County may be included in the County CIP if the County provides some support to the project. If the County does not contribute, even though a project may benefit the local taxpayer, it will only appear in State budget documents.

The State capital projects and County projects with State support (excluding transportation projects) are funded primarily through the issuance of general obligation bonds.

The State has maintained a AAA rating for many years. The AAA is the highest bond rating available and has the lowest cost to the taxpayer. In recent years, the State has allowed certain categories of projects to be funded from General Fund revenues (i.e., capital projects costing less than \$100,000, equipment items, and planning funds). This was done in order to limit debt-funded capital expenditures.

State transportation projects are funded through a combination of State and Federal funds. State sources such as Motor Vehicle Fuel Taxes, Motor Vehicle Titling Taxes, Motor Vehicle Registration, Corporate Income Tax, and bond proceeds account for most of the funds available for State-funded road projects. If Federal funds have been awarded, in order to avoid a project delay the State will advance fund construction with State money.

County Priorities

The County has identified the following priorities for the Capital Program in the forthcoming session of the General Assembly: continued levels of capital investment from the State for our public schools, Montgomery College, various transportation projects (bridges, sidewalks, transit, roads), a music venue to continue the revitalization of Silver Spring, a new district court in Rockville, stream restoration and stormwater management, agricultural easements and land acquisition for parks.

NEW AND ONGOING STATE AND COUNTY PROJECTS

Public Schools

The State provided \$400.0 million for school construction projects in its FY08 budget, of which approximately \$52.3 million was allocated to Montgomery County for school construction and renovation. The support given by the State has been critical to the County's efforts to meet the program and facility needs of its students and communities by providing new and modernized schools.

The Executive recommends assuming a total of \$250.0 million in State support for Montgomery County Public Schools (MCPS) for the FY09-14 CIP. This request will support the Board of Education's funding priorities for critical school capacity and capital maintenance.

The Executive recommends that the County continue to vigorously pursue State aid for all eligible projects.

Montgomery College

The County Executive recommends assuming a total of \$90.9 million in State support for Montgomery College for the FY09-14 CIP to support design and construction of the Rockville Science Center, to support the Germantown Bioscience Education Center, roof repair on all three campuses, as well as a number of renovations and improvements. For additional information on these programs, see the Montgomery College section of the CIP.

State Road Program

In addition to the County roads, bridges, sidewalks, traffic improvements, and public works programs included in the County CIP, the State's Consolidated Transportation Program (CTP) represents a significant investment in improving and maintaining the roadway network in Montgomery County. The State's Draft Consolidated Transportation Program is released each October. Final action on the Statewide CTP is taken by the State Department of Transportation.

The County Executive's FY09-14 budget includes \$14.5 million in State funding for the State Transportation Participation project.

The County Executive will seek additional State funding as part of his congestion relief initiative for intersection and interchange improvements and other State efforts to alleviate traffic congestion problems in the County, including the Corridor Cities Transitway, the Intercounty Connector, and the Bi-County Transitway. For more information on State support for the County transportation program, see the Transportation section of the CIP or the Consolidated Transportation Program.

Transit

Also included is a State match for Federal funds for the Silver Spring Transit Center. The new, multi-modal transit center will improve pedestrian safety and vehicle traffic and will enhance access to mass transit in downtown Silver Spring. The County Executive recommends assuming \$14.3 million in State Aid between FY09-10.

The County Executive's FY09-14 budget includes \$12.1 million in State Aid for Traffic Signal Modernization.

Culture and Recreation

The County has programmed \$0.40 million in State aid to support the Gaithersburg Library renovation and \$0.42 million to support the design and construction of the Silver Spring Library.

Public Safety

The County Executive recommends assuming \$1.23 million in FY09-14 for the Montgomery County Airpark which includes, among other things, safety and security improvements.

Environment and Natural Resources

The County Executive will seek \$5.0 million in State funding for stormwater management and stream valley improvements.

Other State-Funded Projects

Various State Bond Bills for non-Montgomery County Government groups, nonprofits, and "outside" agencies located within Montgomery County were funded in FY08. Most of these projects did not require County funds, although some County support was appropriated in the Montgomery County FY08 Operating and Capital budgets. Additional projects are being evaluated for a series of State Bond Bills for the next legislative session.